

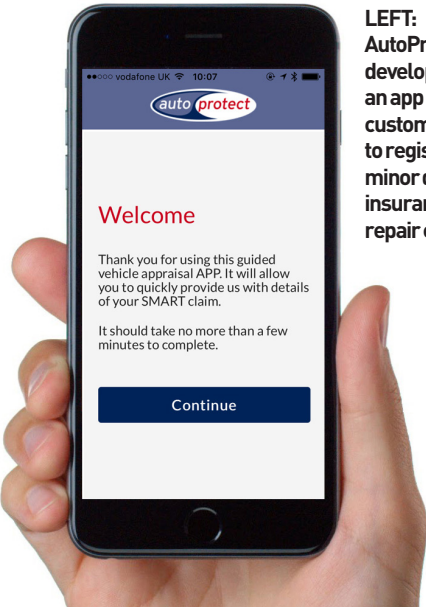
Creating an integrated customer proposition

“We need to change the classic approach to added-value services and ensure they become an integrated part of every sale. It’s an approach that will be good for consumers and dealers.” This is the view of AutoProtect’s head of corporate sales, Mike Macaulay, as he encourages dealers to develop a fresh approach to services such as warranties and GAP insurance.

Macaulay’s call for change reflects shifts in the dealer environment that he believes are moving the traditional ‘push’ approach to added-value sales out of sync with the developing car purchase model.

Among the shifts identified by Macaulay are increased demands for compliance, more engaged and better informed consumers, margin pressure, the shift in consumer behaviour towards usership from ownership, and a trend towards ease and convenience in all aspects of the way people live today. Increasingly, he said, a ‘pull’ approach, where products are introduced that meet a customer’s needs, established through a considered and appropriate dialogue, is far more appropriate.

Following the FCA’s onus on ‘treating customers fairly’ and truly meeting each individual’s needs, best practice for dealers offering add-ons is to avoid focusing on a single product by taking a portfolio approach. Dealers need a wider product range; a single ‘vanilla’ product is too narrow, said Macaulay.



LEFT: AutoProtect developed an app for customers to register a minor damage insurance repair claim

To support this strategic shift, AutoProtect offers a broad range of insurance services, dealer warranties and administration facilities.

AutoProtect’s insurance product portfolio stretches from GAP and RTI (return to invoice) cover, key insurance and SMART repair policies to insurance for alloy wheels, tyres and MOTs.

Creating a better process

Two years ago, AutoProtect acquired compliance company i-Comply Online. The acquisition was designed to ensure that its dealer customers were able to adjust to the Financial Conduct Authority’s (FCA) requirements for F&I services.

AutoProtect provides an appointed representative (AR) option to its dealers, which enables them to offer its products subject to the dealer maintaining clearly defined standards and controls laid down and monitored by i-Comply Online. More than just regulatory support, which has helped the business and its dealers to avoid recent FCA criticism of some AR providers in connection with GAP insurance, compliance is seen as an important part of developing an integrated process for insurance and ancillary services.

i-Comply Online’s Tara Williams pointed to the value of creating a good customer outcome as being good for customer and dealer:

“For me, ‘treating customers fairly’ during the sales process is achieved through knowledgeable and competent sales people informing customers of the options to enhance their car ownership experience centred on their needs. A dialogue about the extra services available in the showroom should happen at every sale. Without it, the risk is that customer needs will not be met.”

The customer experience

Customers want fast, easy and high-quality experiences. When a claim needs to be made, the right experience can have long-term dealer benefits.

AutoProtect’s i-Claims process provides customers with a simple claims app. For example, a SMART insurance claim simply requires the customer to tap in a few details and photos showing the damage, using their mobile or tablet – approval can be almost instant. Aimed at increasing convenience for the customer, AutoProtect’s SMART insurance repairs can be carried out at customers’ homes or places of work. These small differences enhance the customer experience, said Macaulay.

Behind the scenes, the technology is supported



“We need a 100% product for 100% of our customers, 100% of the time with 100% compliance”

Mike Macaulay, AutoProtect

by AutoProtect’s claims managers, who are qualified vehicle engineers or have worked in the servicing departments of dealerships. The aim is to maintain a team with experience of the industry and the accompanying targets and pressures.

Leveraging technology

A growing range of digital solutions, designed to support dealers and customers, underpin AutoProtect’s call for integration. Its IT systems aim to streamline all types of transactions for partners.

“Digitisation is the key driver of change today. We have chosen to embrace this to give ourselves and our dealers a competitive edge,” said Macaulay. “Our support here is far wider than many dealers will realise. It’s said that buying a car involves filling in about 27 pieces of paper and an awful lot of signatures. Our technology solutions can help with this data management, saving dealerships time and reducing the error rate, and these are benefits they can pass on to the customer.”

Reflecting the business’s emphasis on process, AutoProtect introduced a range of videos to support its products. Dealers and manufacturers use these, both in the showroom and embedded onto their websites, as a way of providing product insight to support the customer’s buying journey.

More recently, the business has developed its technology to reduce the risk of a dealer accidentally by-passing the FCA’s new GAP requirements, which mandate a deferred sale from the point of product presentation. The business’s AutoProcess dealer technology has been enhanced to ‘lock out’ the completion of the GAP sale until day four or with disclaimed ‘opt-in’ on days two and three to prevent non-compliance.



Good outcomes benefit both customers and dealers

Creating a winning dealer strategy

AutoProtect works across the automotive retailing spectrum. It counts many AM100 dealers, along with many other franchised dealers and more than 3,000 independent vehicle retailers, as clients.

Typically, the AutoProtect account management team, which the business believes is the largest of its type in the UK, work with dealers to develop and embed an effective integrated strategy. That integrated strategy is gaining momentum, said Macaulay.

“We work with all our partners to come up with the right solutions for their business, sharing our best-practice insights and market intelligence, recognising that all dealerships and manufacturers are individual,” he said.

“In the past, some dealers and manufacturers saw added-value services as generic commodities with little differentiation. FCA regulation has brought about a notable change in this perception. Certainly, some still take the product they feel they need, but increasingly more have a focus on quality, both in the product and support that backs it up, embracing our training and development support to improve their performance in customer experience and sales.”

Account management is at the client’s demand. Real-time reporting is provided to dealer clients, so they can track their sales teams’ strengths and address any underperformance. This level of consultation means AutoProtect can monitor, measure and, where appropriate, intervene at dealer leadership level, to modify and improve performance.

Support is seen as a two-way process and there is no difference in the approach, whether with clients in the top 20 of the AM100 to the smaller dealers. Full 360-degree reviews on an agreed



AutoProtect provides product benefit videos for its entire product range

Combined GAP and RTI Insurance 

time schedule, are used by both dealer and AutoProtect to further inform the strategy and support impact. The goal is continuous improvement for both parties, said Macaulay.

The 400% rule

AutoProtect has gained a third consecutive Defaqto five-star GAP product rating for the high-quality cover offered. It is a quality threshold that helps it

with dealers and with insurance underwriters as it works to develop sustainable pricing policies.

“We now say that we have a 400% rule at AutoProtect,” said Macaulay. “We need a 100% product for 100% of our customers, 100% of the time with 100% compliance. The glue that holds this together is our processes and our obsession with meeting the needs of every level of customer every time, no exception.”